

QUARTERLY REPORT

LICENSEE TRUMP'S CASTLE ASSOCIATES, L.P.

FOR THE QUARTER ENDED MARCH 31, 2002

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY



BALANCE SHEETS

AS OF MARCH 31, 2002 and 2001

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2002 (c)	2001 (d)
ASSETS			
	Current Assets:		
1	Cash and Cash Equivalents.....	\$35,209	\$26,686
2	Short-Term Investments	--	--
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2002, \$ 2,265 ; 2001, \$ 2,464)	10,652	14,988
4	Inventories	2,768	3,133
5	Prepaid Expenses and Other Current Assets.....	1,826	1,467
6	Total Current Assets	50,455	46,274
7	Investments, Advances, and Receivables	7,228	6,460
8	Property and Equipment - Gross	558,041	545,109
9	Less: Accumulated Depreciation and Amortization	(93,244)	(75,713)
10	Property and Equipment - Net.....	464,797	469,396
11	Other Assets	4,808	4,504
12	Total Assets	\$527,288	\$526,634
LIABILITIES AND EQUITY			
	Current Liabilities:		
13	Accounts Payable	\$8,688	\$8,587
14	Notes Payable.....	--	--
	Current Portion of Long-Term Debt:		
15	Due to Affiliates	--	--
16	Other	4,481	1,048
17	Income Taxes Payable and Accrued	--	--
18	Other Accrued Expenses	16,582	15,736
19	Other Current Liabilities	25,453	30,404
20	Total Current Liabilities.....	55,204	55,775
	Long Term Debt:		
21	Due to Affiliates	431,006	407,420
22	Other	3,342	3,452
23	Deferred Credits	--	--
24	Other Liabilities	10,985	7,866
25	Commitments And Contingencies		
26	Total Liabilities	500,537	474,513
27	Stockholders', Partners', Or Proprietor's Equity	26,751	52,121
28	Total Liabilities and Equity	\$527,288	\$526,634

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2002 and 2001

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2002 (c)	2001 (d)
	Revenue:		
1	Casino.....	\$67,290	\$62,093
2	Rooms	4,199	3,963
3	Food and Beverage	7,075	7,057
4	Other	1,510	1,610
5	Total Revenue	80,074	74,723
6	Less: Promotional Allowances	16,272	16,375
7	Net Revenue	63,802	58,348
	Costs And Expenses:		
8	Cost of Goods and Services	37,198	37,699
9	Selling, General, and Administrative	10,713	10,332
10	Provision for Doubtful Accounts	277	299
11	Total Costs and Expenses	48,188	48,330
12	Gross Operating Profit	15,614	10,018
13	Depreciation and Amortization	4,901	4,299
	Charges from Affiliates Other than Interest:		
14	Management Fees (Note 3).....	639	456
15	Other (Note 3).....	893	914
16	Income (Loss) From Operations	9,181	4,349
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates..... (Note 2).....	(15,278)	(14,447)
18	Interest (Expense) - External (Note 2).....	(331)	(178)
19	Investment Alternative Tax and Related Income (Expense) - Net.....	(246)	(551)
20	Nonoperating Income (Expense) - Net	(438)	233
21	Total Other Income (Expenses)	(16,293)	(14,943)
22	Income (Loss) Before Income Taxes And Extraordinary Items	(7,112)	(10,594)
23	Provision (Credit) for Income Taxes	--	--
24	Income (Loss) Before Extraordinary Items	(7,112)	(10,594)
	Extraordinary Items (Net of Income Taxes -		
25	2002, \$ -; 2001, \$ -)	--	--
26	Net Income (Loss)	(\$7,112)	(\$10,594)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2001
AND THE THREE MONTHS ENDED MARCH 31, 2002

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	Description (b)	Contributed Capital (c)	Accumulated Earnings (Deficit) (d)	(e)	Total Equity (Deficit) (f)
1	Balance, December 31, 2000.....	\$175,395	(\$112,680)		\$62,715
2	Net Income (Loss) - 2001.....		(28,852)		(28,852)
3	Capital Contributions.....				
4	Capital Withdrawals.....				
5	Partnership Distributions.....				
6	Prior Period Adjustments.....				
7	_____.....				
8	_____.....				
9	_____.....				
10	Balance, December 31, 2001.....	175,395	(141,532)		33,863
11	Net Income (Loss) - 2002.....		(7,112)		(7,112)
12	Capital Contributions.....				
13	Capital Withdrawals.....				
14	Partnership Distributions.....				
15	Prior Period Adjustments.....				
16	_____.....				
17	_____.....				
18	_____.....				
19	Balance, March 31, 2002.....	\$175,395	(\$148,644)		\$26,751

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP MARINA HOTEL · CASINO

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2002 and 2001

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2002 (c)	2001 (d)
1	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$15,164	\$7,520
	CASH FLOWS FROM INVESTING ACTIVITIES:		
2	Purchase of Short-Term Investment Securities.....	--	--
3	Proceeds from the Sale of Short-Term Investment Securities.....	--	--
4	Cash Outflows for Property and Equipment.....	(803)	(1,140)
5	Proceeds from Disposition of Property and Equipment.....	--	--
6	Purchase of Casino Reinvestment Obligations.....	(849)	(794)
7	Purchase of Other Investments and Loans/Advances made.....	--	--
8	Proceeds from Disposal of Investments and Collection of Advances and Long-Term Receivables.....	--	--
9	Cash Outflows to Acquire Business Entities.....	--	--
10	--	--
11	--	--
12	Net Cash Provided (Used) By Investing Activities.....	(1,652)	(1,934)
	CASH FLOWS FROM FINANCING ACTIVITIES:		
13	Cash Proceeds from Issuance of Short-Term Debt.....	--	--
14	Payments to Settle Short-Term Debt.....	--	--
15	Cash Proceeds from Issuance of Long-Term Debt.....	--	--
16	Costs of Issuing Debt.....	--	--
17	Payments to Settle Long-Term Debt.....	(377)	(136)
18	Cash Proceeds from Issuing Stock or Capital Contributions.....	--	--
19	Purchases of Treasury Stock.....	--	--
20	Payments of Dividends or Capital Withdrawals.....	--	--
21	Repayment of Note Payable to Affiliate.....	--	--
22	--	--
23	Net Cash Provided (Used) By Financing Activities.....	(377)	(136)
24	Net Increase (Decrease) in Cash and Cash Equivalents.....	13,135	5,450
25	Cash and Cash Equivalents at Beginning of Period.....	22,074	21,236
26	Cash and Cash Equivalents at End of Period.....	\$35,209	\$26,686
	CASH PAID DURING PERIOD FOR:		
27	Interest (Net of Amount Capitalized).....	\$331	\$178
28	Income Taxes.....	--	--

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2002 and 2001

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2002 (c)	2001 (d)
	NET CASH FLOWS FROM OPERATING ACTIVITIES:		
29	Net Income (Loss).....	(\$7,112)	(\$10,594)
	Noncash Items Included in Income and Cash Items Excluded from Income:		
30	Depreciation and Amortization of Property and Equipment.....	4,901	4,299
31	Amortization of Other Assets.....	--	--
32	Amortization of Debt Discount or Premium.....	1,646	1,409
33	Deferred Income Taxes - Current.....	--	--
34	Deferred Income Taxes - Noncurrent.....	--	--
35	(Gain) Loss on Disposition of Property and Equipment.....	--	--
36	(Gain) Loss on Casino Reinvestment Obligations.....	246	551
37	(Gain) Loss from Other Investment Activities.....	--	--
	Net (Increase) Decrease in Receivables and Patrons'		
38	Checks.....	2,035	511
39	Net (Increase) Decrease in Inventories.....	33	(8)
40	Net (Increase) Decrease in Other Current Assets.....	30	544
41	Net (Increase) Decrease in Other Assets.....	(20)	(66)
42	Net Increase (Decrease) in Accounts Payable.....	(1,942)	(179)
	Net Increase (Decrease) in Other Current Liabilities		
43	Excluding Debt.....	10,325	6,453
	Net Increase (Decrease) in Other Noncurrent Liabilities.		
44	Excluding Debt.....	4,745	4,301
45	Provision for Losses on Receivables.....	277	299
46	Issuance of Debt in exchange for accrued interest.....	--	--
47	Net Cash Provided (Used) By Operating Activities.....	\$15,164	\$7,520

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	ACQUISITION OF PROPERTY AND EQUIPMENT:		
48	Additions to Property and Equipment.....	\$803	\$1,140
49	Less: Capital Lease Obligations Incurred.....	--	--
50	Cash Outflows for Property and Equipment.....	\$803	\$1,140
	ACQUISITION OF BUSINESS ENTITIES:		
51	Property and Equipment Acquired.....	--	--
52	Goodwill Acquired.....	--	--
	Net Assets Acquired Other than Cash, Goodwill, and		
53	Property and Equipment.....	--	--
54	Long-Term Debt Assumed.....	--	--
55	Issuance of Stock or Capital Invested.....	--	--
56	Cash Outflows To Acquire Business Entities.....	--	--
	STOCK ISSUED OR CAPITAL CONTRIBUTIONS:		
57	Total Issuances of Stock or Capital Contributions.....	--	--
58	Less: Issuances to Settle Long-Term Debt.....	--	--
59	Consideration in Acquisition of Business Entities.....	--	--
60	Cash Proceeds From Issuing Stock Or Capital Contributions.....	--	--

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

**SCHEDULE OF PROMOTIONAL
EXPENSES AND ALLOWANCES**

(\$ IN THOUSANDS)

FOR THE THREE MONTHS ENDED MARCH 31, 2002

Line (a)	(b)	PROMOTIONAL ALLOWANCES		PROMOTIONAL EXPENSES	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	40,218	\$2,846	--	--
2	Food	231,669	3,643	--	--
3	Beverage	330,824	1,406	--	--
4	Travel	--	--	3,967	\$708
5	Bus Program Cash	--	--	34,109	468
6	Other Cash Complimentaries	303,655	8,163	4,347	122
7	Entertainment	1,045	29	2,359	240
8	Retail & Non-Cash Gifts	6,440	161	--	--
9	Parking	--	--	--	--
10	Other	960	24	5,220	261
11	Total	914,811	\$16,272	50,002	\$1,799

Note: No complimentary service or item in the "Other" categories of Promotional Expenses or Promotional Allowances exceed 5% of that column's total.

TRUMP'S CASTLE ASSOCIATES, L.P.
NOTES TO FINANCIAL STATEMENTS
(unaudited)

(1) Organization and Operations

The accompanying financial statements are those of Trump's Castle Associates, L.P., a New Jersey limited partnership (the "Partnership"). The Partnership is 99% owned by Trump Hotels & Casino Resorts Holdings, L.P., a Delaware limited partnership ("THCR Holdings") and 1% owned by Trump's Castle Hotel & Casino, Inc., a New Jersey corporation ("TCHI"). TCHI is wholly owned by THCR Holdings, and THCR Holdings is currently a 63.4% owned subsidiary of Trump Hotels & Casino Resorts, Inc., a Delaware corporation ("THCR").

The Partnership operates the Trump Marina Hotel Casino ("Trump Marina"), a casino hotel located in the marina district of Atlantic City, New Jersey. The primary portion of Trump Marina's revenues are derived from its gaming operations.

Trump's Castle Funding, Inc., a New Jersey corporation ("Funding"), a wholly owned subsidiary of the Partnership, was incorporated solely to serve as a financing company to raise funds through the issuance of bonds to the public. Since Funding has no business operations, its ability to repay the principal and interest on the \$62,000,000 10¼% Senior Secured Notes due 2003 (the "Senior Notes"), the 11¾% Mortgage Notes due 2003 (the "Mortgage Notes") and its Increasing Rate Subordinated Pay-in-Kind Notes due 2005 (the "PIK Notes") is completely dependent upon the operations of the Partnership.

Since TCHI has no business operations, its ability to repay the principal and interest on the \$5,000,000 10¼% Senior Secured Notes due 2003 (the "Working Capital Loan") is completely dependent upon the operations of the Partnership.

The accompanying financial statements have been prepared by the Partnership without audit. In the opinion of the Partnership, all adjustments, consisting of only normal recurring adjustments necessary to present fairly the financial position, results of operations and cash flows for the periods presented have been made.

The accompanying financial statements have been prepared by the Partnership pursuant to the rules and regulations of the Casino Control Commission of the State of New Jersey (the "Commission"). Accordingly, certain information and note disclosures normally included in the financial statements prepared in conformity with generally accepted accounting principles have been omitted.

TRUMP'S CASTLE ASSOCIATES, L.P.
NOTES TO FINANCIAL STATEMENTS - (Continued)
(unaudited)

These financial statements should be read in conjunction with the financial statements and notes thereto included in the quarterly report for the quarter ended December 31, 2001, as filed with the Commission by the Partnership.

The casino industry in Atlantic City is seasonal in nature; accordingly, the results of operations for the three month period ending March 31, 2002 are not necessarily indicative of the operating results for a full year.

(2) Long-Term Debt

Long-Term debt consists of:

	<u>March 31,</u>	
	<u>2002</u>	<u>2001</u>
Mortgage Notes, due 2003 (Net of discount of \$11,700,000 and \$17,144,000, respectively)	\$ 230,441,000	\$ 224,997,000
PIK Notes, due 2005 (Net of discount of \$4,782,000 and \$5,556,000, respectively)	133,565,000	115,423,000
Senior Notes, due 2003	62,000,000	62,000,000
Working Capital Loan, due 2003	5,000,000	5,000,000
Capital lease obligations	<u>7,823,000</u>	<u>4,500,000</u>
Total debt	438,829,000	411,920,000
Less-current maturities	<u>4,481,000</u>	<u>1,048,000</u>
Long-term debt	<u>\$ 434,348,000</u>	<u>\$ 410,872,000</u>

TRUMP'S CASTLE ASSOCIATES, L.P.
NOTES TO FINANCIAL STATEMENTS - (Continued)
(unaudited)

The Mortgage Notes have an outstanding principal amount of \$242,141,000, bear interest at the rate of 11¾%, payable semiannually on May 15th and November 15th of each year, and mature on November 15, 2003.

The PIK Notes have an outstanding principal amount of approximately \$138,347,000 and mature on November 15, 2005. Interest is currently payable semiannually at the rate of 13⅞%. On or prior to November 15, 2003, interest on the PIK Notes may be paid in cash or through the issuance of additional PIK Notes. THCR Holdings owns approximately 90% of the PIK Notes.

The Senior Notes have an outstanding principal amount of \$62,000,000 and bear interest at the rate of 10¼% per annum, payable semiannually each April 30th and October 30th. The entire principal balance of the Senior Notes matures on April 30, 2003.

TCHI obtained a \$5,000,000 working capital loan, the proceeds of which were loaned to the Partnership. The Working Capital Loan has an outstanding principal amount of \$5,000,000 and bears interest at the rate of 10¼% per annum, payable semiannually each April 30th and October 30th. The entire principal balance of the Working Capital Loan matures on April 30, 2003. Both the Senior Notes and the Working Capital Loan are guaranteed by the Partnership.

The debt associated with the Mortgage Notes, the PIK Notes, the Senior Notes and the Working Capital Loan has been classified as Due to Affiliates in the accompanying balance sheets.

The Partnership has also entered into various capital lease agreements which are secured by equipment. These leases mature on various dates through the year 2005.

(3) Related Party Transactions

Trump Management Fee

The Partnership has a Services Agreement (the "Services Agreement") with Trump Casino II, Inc. ("TCI-II"), a corporation wholly-owned by Donald J. Trump ("Trump"). Pursuant to the terms of the Services Agreement, TCI-II is obligated to provide the Partnership, from time to time, when reasonably requested, consulting services on a non-exclusive basis, relating to marketing, advertising, promotional and other similar and related services with respect to the business and

TRUMP'S CASTLE ASSOCIATES, L.P.
NOTES TO FINANCIAL STATEMENTS - (Continued)
(unaudited)

operations of the Partnership, including such other services as the Managing Partner may reasonably request.

Pursuant to the Services Agreement, the Partnership is required to pay an annual fee in the amount of \$1,500,000 to TCI-II for each year in which Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA"), as defined, exceeds \$50,000,000. In addition, if the annual fee is attained, TCI-II is to receive an incentive fee equal to 10% of the excess EBITDA over \$45,000,000 for such fiscal year. The Services Agreement expires on December 31, 2005. For the three months ended March 31, 2002 and 2001, the Partnership recorded fees and expenses of \$639,000 and \$456,000 under the Services Agreement, respectively.

Transactions with Affiliates

The Partnership has engaged in limited intercompany transactions with Trump Plaza Associates ("Plaza Associates"), Trump Taj Mahal Associates ("Taj Associates"), Trump Administration, a division of Taj Associates, ("Trump Administration"), THCR, and the Trump Organization, all of which are affiliates of Trump.

Amounts due to (from) affiliates are as follows:

	<u>March 31,</u>	
	<u>2002</u>	<u>2001</u>
Trump Administration.....	\$5,264,000	\$12,286,000
THCR.....	1,924,000	1,491,000
Taj Associates.....	618,000	181,000
Plaza Associates.....	75,000	(10,000)
Trump Organization.....	—	(302,000)
Total	<u>\$7,881,000</u>	<u>\$13,646,000</u>

TRUMP'S CASTLE ASSOCIATES, L.P.
NOTES TO FINANCIAL STATEMENTS - (Continued)
(unaudited)

Trump Administration

Trump Administration was formed for the purpose of realizing cost savings and operational synergies by consolidating certain administrative functions of, and providing certain services to the Partnership, Plaza Associates, and Taj Associates. Charges from Trump Administration for the three months ended March 31, 2002 and 2001 were approximately \$893,000 and \$914,000, respectively.

Partnership Agreement

Under the terms of the Partnership Agreement, the Partnership is required to pay all costs incurred by TCI-II. For the three months ended March 31, 2002 and 2001, the Partnership paid no expenses on behalf of TCI-II.

(4) Recent Accounting Pronouncements

In January 2001, the Emerging Issues Task Force ("EITF") reached a consensus on certain issues within Issue No. 00-22, "Accounting for 'Points' and Certain Other Time-Based or Volume-Based Sales Incentive Offers, and Offers for Free Products or Services to Be Delivered in the Future" ("EITF 00-22"). Application of EITF 00-22 is required for interim and annual periods ending after February 15, 2001. EITF 00-22 requires volume-based cash rebates to be classified as a reduction of revenue. Accordingly, such rebates of \$7,746,000 for the three months ended March 31, 2001 have been reclassified as promotional allowances. The Partnership previously classified these expenditures as a selling, general, and administrative expenses.

STATEMENT OF CONFORMITY, ACCURACY AND COMPLIANCE

1. I have examined this Quarterly Report.
2. All the information contained in this Quarterly Report has been prepared in conformity with the Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.
3. To the best of my knowledge and belief, the information contained in this report is accurate.
4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in N.J.A.C. 19:43-4.2(b)1-5 during the quarter.



Signature

Vice President of Finance -
Trump Marina Hotel-Casino

Title

1015-11

License Number

On Behalf Of:

Trump's Castle Associates, L.P.

Casino Licensee